



Iowa Finance Authority Title Guaranty Division Team TG WIP Kaizen Event Report Out

December 15, 2006

This event addressed the Title Guaranty process from when a commitment is requested until the final certificate is issued.

Team Members

Karen



Team leader: Karen Lodden, DNR
Steve Harvey, (IFA – Director of Operations)
Joanna Wilson, (TGD – Attorney)
Kerry Carman, (IFA – IT)
Linda Mahoney, (TGD – Attorney Production)
Consultant: Brent Jameson, Guidon

Bret Mills, (IFA – Executive Director)
Loyd Ogle, (TGD – Director)
Linda Berg, (TGD – Marketing)
Judy Peterson, (TGD – Division Production)
Consultant: Rob Allen, Guidon

Objectives / Goals

Linda B.

Objectives:

1. Improve internal cash controls.
2. Improve customer service relative to time, while maintaining quality.
3. Increase market share and hence, revenue.
4. Free up staff time from production for training and marketing.

Goals:

1. Reduce commitment processing time by 50%
2. Reduce lead time for final certificate processing by 50%
3. Reduce work in process to 3 days
4. Reduce the number of steps in the process by 50%
5. Reduce the number of handoffs by 50%

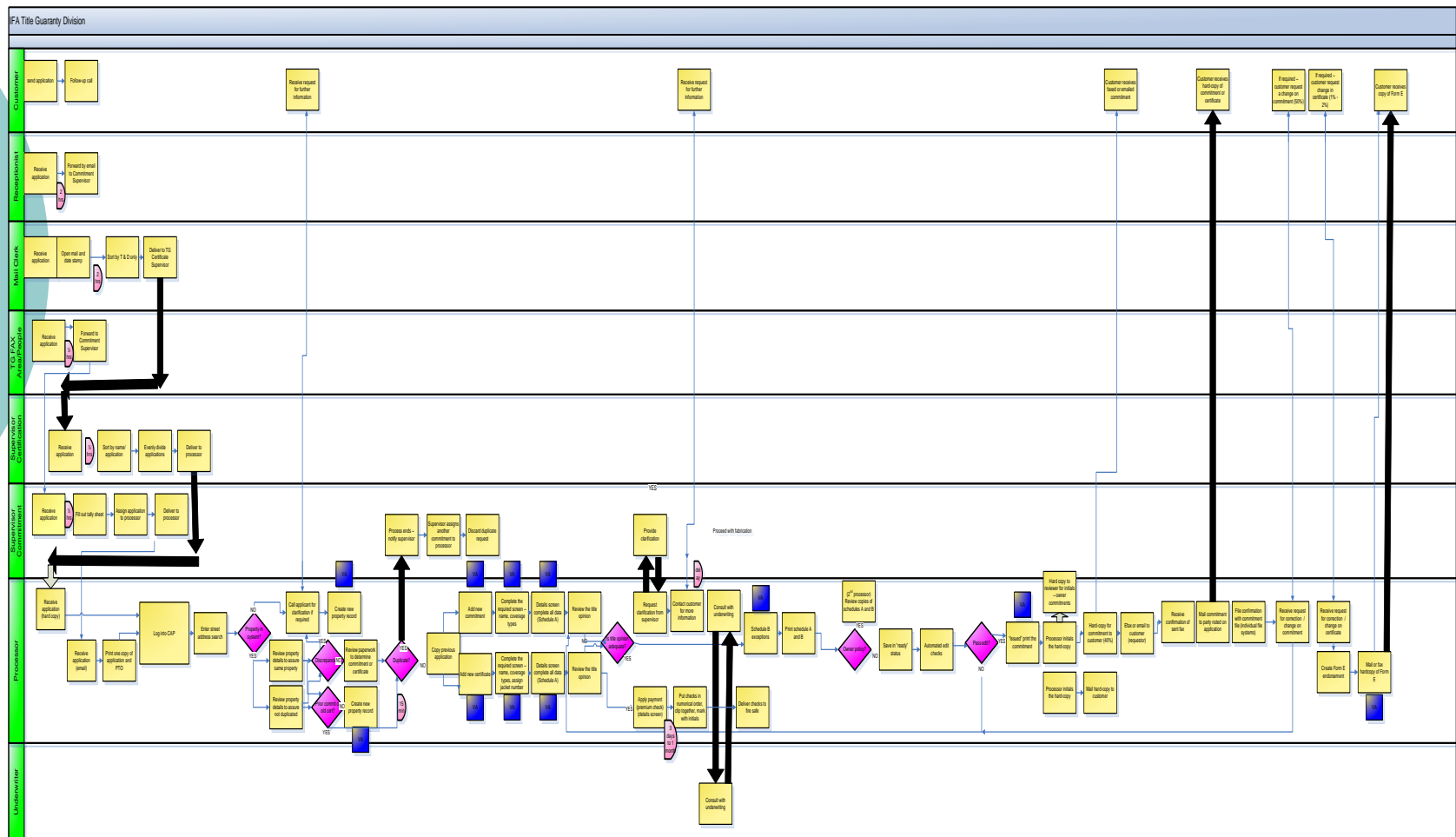
Kaizen Methodology

Kerry

- Clear objectives
- Team process
- Tight focus on time
- Eliminate waste
- Quick & simple
- Creativity vs. capital
- Immediate results (“quick wins” to add value)
- 5S “mindset” – sort, set order, shine, standardize, sustain -- to support event activities

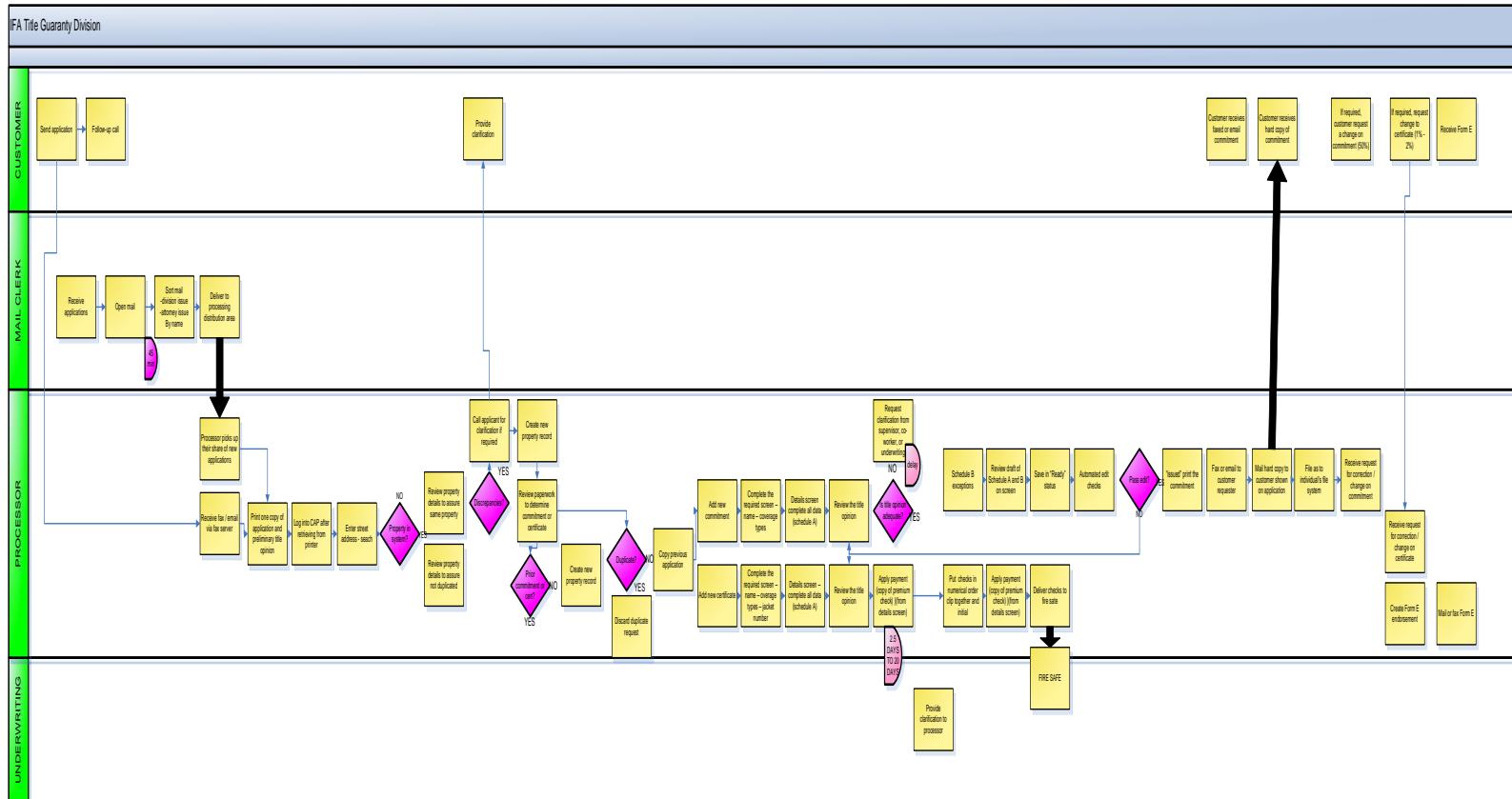


Linda M.



New Process

Judy



Results

Judy

	Old	New	% Change
# of Steps	88	64	27%
# of Handoffs	23	15	35%
# of Decisions	9	8	12%
Delays	7	2	71%
Value Added Steps	8	8	0%
Lead Time	3.4 – 30.4 days	2.3 – 20.1 days	34%

Key Learning

Loyd

- Discovering what I thought were underwriter requirements really were not.
- It helps to see the process on paper.
- It helps to see the process from start to finish.
- You can make changes faster when all players are in the room.
- Greater appreciation of the challenges faced by the production staff.
- Amazed at how many ideas came out of this event.
- Impact / Difficulty matrix helped prioritize action items.

Completed or Implemented

Steve

- Eliminated requirement of processor signature.
- Eliminated cross checking of owner certificates and commitments.
- Analyzed cost benefit of lock box for processing checks.
- Email fax system for TGD so processors can pull work (commitments).
- Dedicated commitment processors to reduce task switching.
- Mail processing PO box added to reduce sorting.
- Processors manage their own work flow.
- Relieved supervisor of opening mail and assigning work.

Homework

Joanna

WHAT	STATUS	WHO	WHEN
Computer-generate 3 jacket pages and forms. Write instructions.	In Progress	Judy	3/1/2007
Define resource loading and rotation schedule to ensure continuous operations (cert and commitment)	Complete	Judy	Start on 12/20
Outsource final certificate production (outline plan)	Under discussion	Linda B	12/21/2006
Eliminate double checking on owner's policy - training - proofreading - checklist - change procedure	Complete	JoAnna	Training ongoing
Analyze cost / benefit of implementing lockbox process (get check deposit sooner)	Complete	Steve Linda M	1/31/2007
Reroute dedicated FAX #	In Progress	Steve	Submit work order by 12/18
Promote - email, application, update web, for PO Box	In Progress	Linda B	12/18/2006
Distribute / pull commitments by processors		Loyd	12/21/2006
Dedicated PO Box - "Processing for certificates		Steve Judy	1/31/2007
Create dashboard metrics and post on display in work area	In Progress	Bret Judy	12/19/2006

Homework


Joanna

WHAT	STATUS	WHO	WHEN
Investigate incentives / appreciation for performance (DOT, DOR)	In Progress	Linda M	Staff meeting 12/19
emphasize using copy function for converting commitment to certificate (sent email)	Complete	Loyd Judy Linda M	
IT to propose a way to link commitment to certification electronically	In Progress	Kerry	1/31/2007
Send memo - encourage less printing of drafts to review, eliminate signatures	Complete	Loyd	
Standardize "initial working of application" process step and cross-train	Complete	Judy	
Eliminate signatures by processors	Complete	Loyd	
Establish a future state for a web-based, online, fully paperless		Kerry Steve Loyd	TBD
Investigate a way to eliminate printing one copy of application and PTO (2 monitors, software cut & paste)	Ongoing	Kerry	9/30/2007
Communicate to attorneys (or source of title opinions, ie atty staff) standard title opinion docs and recommend standard title opinion	Ongoing	JoAnna	12/19/2006
Marital status - reminder to mortgage broker, attorney, lender, abstractor		JoAnna Linda B	12/19/2006

- Application follow-up calls can be made by the customer throughout the organization
- Ensure processors have all they need to process applications
- Receive payments electronically
- New application form (with email address)
- Review scanning process
- Work in Process – “Hot team” or other to reduce WIP.



Team member experience!

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We welcome your
questions and comments